

**§ 309.25 Peace Corps' participation in the IRS tax refund offset program.**

(a) The Peace Corps will provide information to the IRS within the time frame prescribed by the Commissioner of the IRS to enable the Commissioner to make a final determination as to the Peace Corps' participation in the tax refund offset program. Such information will include a description of:

- (1) The size and age of the Peace Corps' inventory of delinquent debts;
- (2) The prior collection efforts that the inventory reflects; and
- (3) The quality controls the Peace Corps maintains to assure that any debt that may be submitted for tax refund offset will be valid and enforceable.

(b) In accordance with the timetable specified by the Commissioner, the Peace Corps will submit test magnetic media to the IRS, in such form and containing such data as the IRS shall specify.

(c) The Peace Corps will provide the IRS with a telephone number which the IRS may furnish to individuals whose refunds have been offset to obtain information concerning the offset.

**§ 309.26 Procedures.**

(a) The Chief Financial Officer (or designee) shall be the point of contact with the IRS for administrative matters regarding the offset program.

(b) The Peace Corps shall ensure that:

- (1) Only those past-due legally enforceable debts described in § 309.23 are forwarded to the IRS for offset; and
- (2) The procedures prescribed in the MOU between the Peace Corps and the IRS are followed in developing past-due debt information and submitting the debts to the IRS.

(c) The Peace Corps shall submit a notification of a taxpayer's liability for past-due legally enforceable debt to the IRS on magnetic media as prescribed by the IRS. Such notification shall contain:

- (1) The name and taxpayer identifying number (as defined in section 6109 of the Internal Revenue Code) of the individual who is responsible for the debt;
- (2) The dollar amount of such past-due and legally enforceable debt;

(3) The date on which the original debt became past due;

(4) A statement accompanying each magnetic tape certifying that, with respect to each debt reported on the tape, all of the requirements of eligibility of the debt for referral for the refund offset have been satisfied. See § 309.23.

(d) The Peace Corps shall promptly notify the IRS to correct data submitted when the Peace Corps:

- (1) Determines that an error has been made with respect to a debt that has been referred;
- (2) Receives or credits a payment on such debt; or
- (3) Receives notification that the individual owing the debt has filed for bankruptcy under title 11 of the United States Code or has been adjudicated bankrupt and the debt has been discharged.

(e) When advising debtors of an intent to refer a debt to the IRS for offset, the Peace Corps shall also advise the debtors of all remedial actions available to defer or prevent the offset from taking place.

**§ 309.27 Referral of debts for offset.**

(a) The Peace Corps shall refer to the IRS for collection by tax refund offset, from refunds otherwise payable, only such past-due legally enforceable debts owed to the Peace Corps:

(1) That are eligible for offset under the terms of 31 U.S.C. 3720A, section 6402(d) of the Internal Revenue Code, 26 CFR 301.6402-6T and the MOU; and

(2) That information will be provided for each such debt as is required by the terms of the MOU.

(b) Such referrals shall be made by submitting to the IRS a magnetic tape pursuant to § 309.26(c), together with a written certification that the conditions or requirements specified in 26 CFR 301.6402-6T and the MOU have been satisfied with respect to each debt included in the referral on such tape. The certification shall be in the form specified in the MOU.

**§ 309.28 Notice requirements before offset.**

(a) The Peace Corps must notify, or make a reasonable attempt to notify, the individual that:

- (1) The debt is past due; and